



PSC NEWS

Missouri Public Service Commission

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PSC DISCUSSES PROPOSED RULE WHICH ATTEMPTS TO MAKE TELEPHONE BILLS EASIER TO UNDERSTAND

Jefferson City (April 20, 2004)---A telecommunications charge not specifically allowed or mandated by government would not be allowed on a telephone bill as a separate line item under a proposed rule being drafted and considered by the Missouri Public Service Commission.

"It seems to get tougher and tougher to read and understand a telephone bill, especially with all of these puzzling line item telephone fees. I think consumers deserve better," stated PSC Chairman Steve Gaw.

Under the proposed rulemaking being drafted, if a telephone company seeks to place a charge as a line item on the monthly telephone bill that has not been mandated by the Missouri Public Service Commission, local, state or federal government or the Federal Communications Commission, that charge would not be allowed to appear on the telephone bill as a separate line item. That charge would have to be rolled in to the rate a particular company asks the consumer to pay each month.

"If this is done, then consumers will better be able to comparison shop for the company and price that best serves their individual calling needs," added Gaw. "Right now, a company could offer a lower per minute rate for long distance than another company, but have all of these other line item charges. When taking those other charges into consideration, the company that appeared to have the lower rate may actually be the highest. Consumers should not be misled. In addition, some current bill language using the word 'regulatory' implies this Commission or some other governmental entity approved this charge when that may not be the case. Customers may think the charge was approved by a governmental entity when in fact it wasn't," stated Gaw.

Under the draft proposed rule, separate line item charges on a residential or business customer's bill would only consist of those charges which line item recovery is specifically mandated or specifically allowed by federal, state or local regulatory action. In addition, under the draft proposed rule, all charges shall not be misleading.

"The Missouri Public Service Commission will continue our commitment to review the rules that telecommunications carriers operate under in our state," added Gaw. "We need to make it easier, not harder, for Missouri telephone consumers to know what they are being asked to pay for on their monthly telephone bills," stated Gaw.

The Staff of the Missouri Public Service Commission will meet in the near future with industry representatives, the Office of the Public Counsel and other interested parties regarding specific proposed rulemaking language. Parties will be given additional opportunities to comment through the hearing process.